

REPLY TO:

- ☐ 135 HART SENATE OFFICE BUILDING
WASHINGTON, DC 20510-1501
(202) 224-3744
www.grassley.senate.gov
- ☐ 721 FEDERAL BUILDING
210 WALNUT STREET
DES MOINES, IA 50309-2106
(515) 288-1145
- ☐ 111 7TH AVENUE, SE, BOX 13
SUITE 6800
CEDAR RAPIDS, IA 52401-2101
(319) 363-6832

1102

United States Senate

CHARLES E. GRASSLEY

WASHINGTON, DC 20510-1501

December 14, 2017

REPLY TO:

- ☐ 120 FEDERAL BUILDING
320 6TH STREET
SIOUX CITY, IA 51101-1244
(712) 233-1860
- ☐ 210 WATERLOO BUILDING
531 COMMERCIAL STREET
WATERLOO, IA 50701-5497
(319) 232-6657
- ☐ 201 WEST 2ND STREET
SUITE 720
DAVENPORT, IA 52801-1817
(563) 322-4331
- ☐ 307 FEDERAL BUILDING
8 SOUTH 6TH STREET
COUNCIL BLUFFS, IA 51501-4204
(712) 322-7103

The Honorable Ajit Pai
Chairman
Federal Communications Commission
445 12th Street SW
Washington, D.C. 20554

Dear Chairman Pai:

It has come to my attention that 37 Iowa rural telecommunications companies representing 45 study areas have requested the Federal Communications Commission to allocate additional funding up to \$200/month per eligible customer location for all companies nationwide that voluntarily elected universal service funding under the Alternative Connect America Fund ("A-CAM") model. Attached please find a copy of the letter that they sent to the FCC. Iowa has the largest number of A-CAM electing companies and are working hard to meet the obligations laid out by the FCC. I ask that this request be given all due consideration.

Thank you for your time and prompt attention to this matter. Please do not hesitate to contact Sherry Kuntz in my Washington, D.C. office if I can help facilitate communication regarding this matter.

Sincerely,

Chuck Grassley

Charles E. Grassley
United States Senator

CHAIRMAN,
JUDICIARY

Committee Assignments:

AGRICULTURE
BUDGET
FINANCE

CO-CHAIRMAN,
INTERNATIONAL NARCOTICS
CONTROL CAUCUS

November 8, 2017

Ms. Marlene Dortch
Secretary
Federal Communications Commission
445 12th Street SW
Washington, DC 20554

Via ECFS

Re: Ex Parte Communication, *Connect America Fund*, WC Docket No. 10-90

Dear Ms. Dortch:

The 37 undersigned Iowa rural telecommunications companies¹ (“Iowa A-CAM Companies”) representing 45 study areas respectfully request the Federal Communications Commission (“Commission”) to allocate additional funding up to \$200/month per eligible customer location for all companies nationwide that voluntarily elected universal service funding under the Alternative Connect America Fund (“A-CAM”) model. In fact, Iowa is the state with the largest number of A-CAM-electing companies in the country, and the Iowa A-CAM Companies are already well under way with their deployment plans to meet the obligations laid out by the Commission.

Allocation of funding up to \$200/month per eligible location will reduce the locations designated “reasonable request” by 3,578 locations to only 2,632 locations. Furthermore, because of this funding, 2,615 additional locations in the state will receive service at 25/3 Mbps, while 2,453 additional locations will have increased service of at least 10/1 Mbps.

The Iowa A-CAM Companies point out that the Commission has already supported as Commission public policy A-CAM funding at \$200/month per location in the original rate-of-return carriers’ reform order.² Such an increase in funding will require no additional policy determinations by the Commission. Moreover, A-CAM Companies will be required to accept the additional buildout obligations under the conditions of the Order and Further Rulemaking issued in December 2016 should the Commission act by the end of 2017.³

¹ The Iowa A-CAM Companies are listed in Attachment A.

² *Connect America Fund; ETC Annual Reports and Certifications; Developing a Unified Intercarrier Compensation Regime*, WC Docket Nos. 10-90 *et. Al.*, Report and order and Order on Reconsideration and Further Notice of Proposed Rulemaking, FCC 16-33 (rel. March 30, 2016).

³ *Connect America Fund*, WC Docket No. 10-90, Report and Order and Further Notice of Proposed Rulemaking, FCC 16-178 (rel. Dec. 20, 2016).

Ms. Marlene Dortch
November 8, 2017
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Granting of A-CAM funding at \$200/month per location will also result in a prudent use of the Commission's budget by enabling companies to design their networks in a more efficient manner at the outset without costly redesign. In addition, the costs of deploying broadband technology initially are less than the costs of installing interim solutions that will need to be replaced later.

On behalf of the thousands of customers they serve, the Iowa A-CAM Companies urge the Commission to act expeditiously and fund the A-CAM model at \$200/month per eligible location by December 31, 2017.

Sincerely,

The Iowa A-CAM Companies

Cc: Chairman Ajit Pai
Commissioner Mignon Clyburn
Commissioner Michael O'Rielly
Commissioner Jessica Rosenworcel
Commissioner Brendan Carr

Attachment A

Attachment A
Iowa A-CAM Companies

Barnes City Cooperative Telephone Company
Breda Telephone Corp.
Butler-Bremer Mutual Telephone Company
Coon Creek Telephone Company
Center Junction Telephone Company, Inc.
Coon Valley Cooperative Telephone Association, Inc.
Cooperative Telephone Company
Casey Mutual Telephone Company
Danville Mutual Telephone Company
East Buchanan Telephone Cooperative
Farmers Telephone Company-Essex
Farmers Mutual Cooperative Telephone Company-Harlan
Farmers Mutual Telephone Company-Jessup
Jefferson Telephone Company
La Motte Telephone Company
Lone Rock Cooperative Telephone Company
Mechanicsville Telephone Company
Modern Cooperative Telephone Company
Martelle Cooperative Telephone Association
Massena Telephone Company
Mutual Telephone Company of Morning Sun
Northwest Telephone Cooperative
Northeast Iowa Telephone Company
North English Cooperative Telephone Company
New Ulm Telecom, Inc.
Olin Telephone Company, Inc.
Onslow Cooperative Telephone Association
Rockwell Cooperative Telephone Association
Sac County Mutual Telephone Company
Schaller Telephone Company
Superior Telephone Cooperative
Templeton Telephone Company
Terril Telephone Cooperative
Titonka Telephone Company
Van Buren Telephone Co., Inc.
Western Iowa Telephone Association
Wyoming Mutual Telephone Company



FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON

OFFICE OF
THE CHAIRMAN

February 13, 2018

The Honorable Charles E. Grassley
United States Senate
135 Hart Senate Office Building
Washington, D.C. 20510

Dear Senator Grassley:

Thank you for your letter on the importance of connecting additional rural consumers in Iowa to high-speed broadband. Your views are very important and will be entered into the record of our proceeding on the Connect America Fund and considered as part of the Commission's review.

In my first remarks to FCC staff as Chairman, I declared that my highest priority would be making sure every American who wants high-speed Internet access can get it. Rural Americans deserve the same digital access as those living in urban areas. A key way to reach this goal is by updating the high-cost universal service program to encourage cooperatives and other small, rural carriers to build more online infrastructure.

We need more deployment in sparsely populated rural areas if we're going to extend digital opportunity to all Americans. But I've heard from community leaders, Congress, and carriers that insufficient, unpredictable funding has kept them from reaching this goal. That is why I recently shared with my fellow commissioners an order that would promote more high-speed broadband deployment in rural areas. If adopted, it would provide over \$500 million in additional funding for cooperatives and small rural carriers—including those participating in the Alternative Connect America Model (A-CAM) plan. And it seeks public input on both further increasing support to current A-CAM recipients and on giving legacy rate-of-return carriers a new chance to elect model-based support. Increased funding will boost broadband deployment in rural America, and the accompanying reforms will put our high-cost system on a more efficient path, helping to ensure that every American can benefit from the digital revolution.

I appreciate your interest in this matter. Please let me know if I can be of any further assistance.

Sincerely,

A handwritten signature in black ink that reads "Ajit V. Pai". The signature is stylized, with the first name "Ajit" written in a large, flowing script and the last name "Pai" in a more compact, cursive style.
Ajit V. Pai